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December 3, 2013

BY ECF AND FAX

Hon. Paul G. Gardephe
United States District Judge
Thurgood Marshall United States Courthouse
40 Foley Square
New York, New York 10007

**Re: Novel Commodities S.A. v. QBE Insurance Corporation
(Index No. 11-CV-6339)**

Dear Judge Gardephe:

We represent Defendant QBE Insurance Corporation ("QBE") in the above-referenced action. We write, as directed by Your Honor at the conference held in this matter on November 26, 2013, to update the Court on the status of QBE's payments of the Judgment Amount to plaintiff Novel Commodities S.A. ("Novel") and Novel's creditors, Polish Steamship Company and Polsteam Shipping Company (collectively, "Polish Steamship"), Wind Shipping Company, S.A. ("Wind Shipping"), and Sullivan & Worcester LLP ("S&W").

As a preliminary matter, in light of the letter that Novel's agent, Access Global Capital, LLC ("Access Global"), sent to the Court yesterday withdrawing Access Global's claim against QBE, QBE will not pursue an interpleader action against Novel and Access Global.

QBE received wire transfer instructions from Polish Steamship, Wind Shipping, and S&W on Wednesday, November 27 with respect to the payments to be made to them. We have been advised by QBE that payment requests were initiated yesterday and it hopes to receive tracking information by tomorrow, at which point we will forward it to the respective parties' counsel.

We advised Novel yesterday that QBE would not pursue an interpleader action against Novel and Access Global and that QBE would instead make payment to Novel in the amount of \$3,909,272.04. Novel's counsel indicated that in light of that development, Novel wished to revise its wiring instructions. We received Novel's revised wiring instructions yesterday



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afternoon. QBE is currently processing payment to Novel. We should be in receipt of tracking information shortly and will forward it to Novel's counsel when it is received.

Upon payment to Novel, Polish Steamship, Wind Shipping, and S&W, the Judgment Amount will be fully distributed and QBE will apply for an order of satisfaction of judgment.

We thank Your Honor for your time and consideration.

Respectfully submitted,

A handwritten signature in blue ink that reads "Stephen M. Kennedy".

Stephen M. Kennedy

cc: Michael T. Sullivan, Esq. (via ECF)
Karen E. Abravanel, Esq. (via ECF)
Edward Floyd, Esq. (via email)
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